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SUBJECT: TRINIDAD AND TOBAGO'S SOCIAL SAFETY NET

SENSITIVE BUT UNCLASSIFIED; PLEASE PROTECT ACCORDINGLY

11. (SBU) SUMMARY: Trinidad's social safety net for adults able to work consists of two major work programs and a variety of training programs. While successful in alleviating extreme poverty, they have not lifted individuals permanently out of poverty nor made them self sufficient. The economic downturn may reduce GOTT's ability to pay for these programs. END SUMMARY

Work Programs Don't Impart Skills

12. (SBU) The Unemployment Relief Program (URP) and the Community-based Environmental Protection and Enhancement Programme (CEPEP) employ over 20,000 workers with limited skills and qualifications. The typical employee is single, female, 42 years old, with primary level education, and the head of a four person household. Employees work in the mornings cleaning streets, sidewalks, public parks, and beaches of debris and dead animals, trimming weeds and clearing gutters. The CEPEP and URP workforce is 64% Afro-Trinidadian, 13% Indo-Trinidadian, and 23% bi-racial. Currently, minimum wage in T&T is TT \$9.00 per hour (US \$1.50). Typically, employees work four hours and are paid between TT \$9.00 and TT \$10.00 per hour for an eight hour day.

13. (SBU) CEPEP and URP do not offer participants an opportunity to learn skills that will allow them to earn a living wage. Consequently, 49% of CEPEP and URP workers have been with the program for over four years, 30% do not believe they could find alternate employment, and 73% claim program wages are their sole source of income. In a 2008 CEPEP Impact Report, GOTT claimed a net economic gain of TT\$446 million based on the program's contribution to national welfare and the positive impact of training and "meaningful work" for those normally excluded from the formal economy. While URP offers specialized training programs such as the Women's Program and the Multi-Sector Skills Training Program (MuST); these "earn to learn" programs are widely seen as attractive alternatives to road cleanup and not as avenues to career development.

Never-ending Training

13. (SBU) GOTT funds several training programs to help Trinbagonians secure or create employment. The Youth Training and Employment Partnership Program (YTEPP) and the Youth Business in Trinidad and Tobago (YBTT) develop future entrepreneurs through classes and mentoring. Graduates of the programs are given a small business loan and continuous mentoring. However, many graduates continue to seek additional training with other government funded programs instead of starting a business. Business sector contacts complain there is little coordination between programs and little practical assistance for program participants to become entrepreneurs.

Politics and Money

14. (SBU) There is a strongly voiced general sentiment that CEPEP, URP, and training programs are strategies for the Peoples National Movement (PNM) to retain control of government by securing votes from the poor. Citizens complain that employees work only half of

the day and are simply collecting checks. Business owners claim that the programs are affecting the available work force by lowering demand for private sector employment.

Social Programs May Be Unsustainable

15. (SBU) GOTT spent TT\$1.2 billion on the CPEP program between 2002 and 2007. In 2007, GOTT spent TT \$273.4 million on CEPEP. GOTT expects to spend 13% of the national budget on social services and pensions in 2009. Due to the economic downturn, GOTT was forced to reduce government spending by TT\$5.3 billion in 2009. Additionally, private companies are laying off employees due to decreased revenues. In February 2009 over 2,000 jobs were reportedly lost in the construction sector alone. Although Prime Minister Manning has publicly stated that social programs are not in danger, GOTT may be forced deeper into deficit spending to sustain their funding if the economy goes into recession by the third quarter of 2009, as some local economists continue to predict.

16. (SBU) COMMENT: While T&T's social programs prevent some Trinidadians from living in extreme poverty, they are also creating a dependent population. Post will continue to report on the effectiveness and sustainability of T&T's social safety net. END COMMENT.

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